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POSTWAR RETAIL COMMODITY TURNOVER IN SOVIET TRADE

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From 1928 to 1940, USSR retail commodity turnover, at comparable prices, increased 360 percent. During the postwar period, commodity turnover has increased 190 percent and has greatly exceeded the prewar level.

From December 1947 to April 1952, retail prices on bread and bakery products, flour, groats, and macaroni were lowered 60 percent. In 1953 they were lowered again. For the same amount of money which in 1947 purchased one kilogram of bread, one can now [August 1953] buy 2.85 kilograms. The sale of bread has increased greatly. The proportion of bread and bakery products in commodity turnover is considerable, but it has a tendency to decrease along with the reduction of prices because of the increased consumption of other products.

The sale of meat and meat products has also developed widely. The central market stocks of meat in 1952 increased 130 percent over 1948. In 1950, 38 percent more meat was sold in state and cooperative trade, not including sales from local markets, than in 1940. In 1952, the sale of meat increased 45 percent over 1950. In the postwar years, retail prices on meat and meat products have decreased steadily. At present, it is possible to buy 2.8 kilograms of meat for the same amount of money which at the end of 1947 would buy only one kilogram.

The 1952 fish catch increased almost 70 percent over 1940. In 1950, 51 percent more fish was sold in state and cooperative trade than in 1940, not including sales of local markets. During 1951-1952 the sale of fish products rose by an additional 29 percent.

In 1951, butter production increased in comparison with 1940 by 132,000 tons. The sale of fats is increasing rapidly. In state and cooperative trade alone, not considering sales from local markets, 59 percent more butter was sold in 1950 than in 1940, and 67 percent more vegetable oil and other fats. In 1952, the people obtained through the state and cooperative trade network 31 percent more butter, vegetable oil, and other fats than in 1950. The reduction of prices on fats promoted an increased consumption of fats. For example, prices on margarine in 1953 are 55.3 percent lower than on 16 December 1947, and prices on vegetable oil are 35.2 percent lower. Now it is possible to obtain more than 3 kilograms of creamery butter for the same amount of money that purchased one kilogram in 1947.

However, despite the great increase in the production and sale of meat, fish, and butter in the postwar years, consumer demand for these products is still not wholly satisfied, since it increases faster than production. The satisfaction of popular demand for these products depends on further successes in livestock raising and fishing, and also on the improvement of storage facilities and the delivery and sale of meat and fish to the people.

The sale of dairy products and eggs in the USSR is rapidly increasing. Prices on these products are being reduced substantially. In 1953, prices on eggs were 41.5 percent lower, and milk prices 27.1 percent lower, than on 16 December 1947.

In 1952, sugar production exceeded the prewar level by more than 50 percent. In 1950, 33 percent more sugar and 34 percent more confectionery goods was sold in the state and cooperative network (not including sales from local

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markets) than in 1940. In 1952, the people bought 63 percent more sugar and 34.5 percent more confectionery goods than in 1950. The great reduction of prices on sugar and confectionery goods has promoted the consumption of these products. Now it is possible to get 2.27 kilograms of sugar for the same amount of money which in 1947 would purchase only one kilogram of sugar.

A marked change in the structure of commodity turnover occurred in the postwar period, chiefly in connection with the increased production and sale of the most important food products. This is confirmed, for example, by changes in the consumption of bread and bakery products after the 1 March 1950 reduction of retail prices on bread by an average of 25-30 percent. Such a sharp reduction of retail prices did not bring any considerable increase in the demand for bread. An average of only 2 percent more bread was sold daily in March 1950, than in February 1950. Consumption of wheat bread and high-quality bakery products increased, while consumption of rye bread decreased. Whereas until the war 50 percent of the total amount of bread consumed in Moscow was wheat, in 1952 this was increased to 70 percent.

The structure of commodity turnover in state and cooperative trade in Rostovskaya Oblast (including the Rostov City) may be taken as an example. In 1952, the sale of food products in Rostovskaya Oblast increased considerably over 1948. The volume of commodity turnover, at comparable prices, increased for all kinds of food products. However, the amount of increase varied for individual types of goods. The volume of sales of such products as bread and bakery products, flour, groats, legumes, macaroni products, salt, tea, and nonalcoholic beverages increased less than the turnover of food products as a whole. As a result, the proportion of these products in the over-all turnover of food commodities in 1952 was reduced in comparison with 1947 by almost one third. The greatest increase in the volume of commodity turnover occurred in such goods as sugar, confectionery products, meat and meat products, fish and fish products, milk and dairy products, canned goods, eggs, fruit, and cucurbits. The proportion of all these products in the commodity turnover in 1952 was much higher than in 1948. The share of canned goods, eggs, milk and dairy products, and sugar and confectionery products in the total commodity turnover increased 50 to 100 percent. The proportion of such goods as meat and meat products, fish and fish products, fats, grape wine, and beer rose considerably in the turnover of food products.

The sale of sausage products in 1952 in Rostovskaya Oblast increased approximately 100 percent in comparison with 1948, and the sale of canned meat products increased more than 200 percent. The sale of fish products over the same period increased about 50 percent, including more than 500 percent for canned fish. The sale of sugar and confectionery products almost doubled, and the sale of vegetable oil more than doubled.

The commodity turnover in all forms of Soviet trade expresses more or less fully the pattern of consumption as it concerns the city population only. The rural population receives the greater part of its basic food products directly from the kolkhozes and personal plots of farmers. Therefore, the larger proportion of many food commodities (for instance, meat products, milk and dairy products, potatoes, vegetables, groats, and legumes) are sold in the city than in rural areas.

At the same time, the consumption of processed food products by the rural population is growing. In 1952, the kolkhoz peasantry obtained from consumer cooperatives 250 percent more vegetable oil than in 1948, and 180 percent more sugar and confectionery products.

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Clothing and footwear in 1951 made up somewhat less than one third of the total turnover of manufactured goods, and 13.2 percent of the retail turnover of the state and cooperative trade network. The proportion of these goods in retail commodity turnover is increasing from year to year.

The production and sale of textiles is increasing steadily. Beginning with the Second Five-Year Plan, when great progress was made in the development of light industry, the assortment of textiles has improved continuously and the proportion of higher grade fabrics has been increasing. The proportion of high-quality fabrics increased especially rapidly in the postwar period. The production of woolen, silk, and high-grade cotton fabric is increasing at a more rapid rate than the production of cheap grades of cotton fabric. In 1952, 30 percent more cotton fabric was produced than in 1940, about 60 percent more woolen fabric, and 180 percent more silk fabric.

While cotton fabric production as a whole increased 140 percent during the Fourth Five-Year Plan, particular increases were noted in the following types of fabric: calico, by 22 times; sateen, by 7.3 times; and colored woven cloth, by 8.2 times. During 1951 alone, more than 2,200 new designs for fabric were worked out and put into production in the cotton industry. The proportion of high-quality cotton fabrics such as print, mercerized, and jacquard, and of fast color fabrics, was increased. In woolen fabrics, the proportion of high-quality worsted was increased, and the proportion of coarse woolen fabric was reduced. During the Fourth Five-Year Plan, the output of high-grade products was increased as follows: from 82 to 90.5 percent in the cotton industry; from 89 to 94.2 percent in the linen industry; from 84 to 89.5 percent in the woolen fabric industry; and from 60 to 73.4 percent in the silk industry.

The production and sale of sewn goods are developing widely. As compared with the preceding year, the following percentage increases occurred in the sale of sewn products: in 1949, 29 percent; in 1950, 33 percent; in 1951, 14 percent; and in 1952, 11 percent.

Along with the rapid increase in purchasing power in the postwar period, the demand for woolen cloth has risen sharply, especially for high-quality worsted fabric and for sewn goods from this type of fabric. However, the demand considerably exceeds the increase in production of these goods. Provision has been made for a great increase in the production of woolen fabrics and garments in the Fifth Five-Year Plan.

A first-class footwear industry has been established in the USSR. Factory production of leather footwear has increased by more than 30 times in comparison with 1913. In 1952, 250 million pairs of leather footwear and 125 million pairs of rubber footwear were manufactured. The Soviet state guarantees a continuous increase in the sale of footwear. In comparison with 1940, the sale of chrome leather, Russia leather, and combination leather footwear was increased in 1952, and the sale of textile footwear was decreased.

In the first postwar years, the volume of sales of individual kinds of sanitary supplies and perfumery goods increased sharply; the rate of increase in the turnover of these goods exceeded the rate of increase in commodity turnover as a whole. In 1950 alone, the sale of toilet soap increased 86 percent, laundry soap 38 percent, and perfumes 35 percent. However, beginning with 1951, the rate of increase in turnover of these goods slowed down, and the proportion of these goods in the commodity turnover as a whole was somewhat reduced. In 1951, and 1952, the increase in the sale of soap was somewhat slower than the increase in commodity turnover as a whole. The reason for this is that consumer demand for sanitary goods is now being satisfied completely, and any increase in sales of these goods is due mainly to a shift in popular demand to better grade soaps and perfumes. The people have purchasing power because of the repeated large-scale price reductions on these goods.

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In recent years some success has been achieved in the production of new types of furniture and expansion of trade in furniture. The sale of furniture has increased as follows (in percent of the preceding year): in 1949, 38 percent; in 1950, 38 percent; in 1951, 50 percent; and in 1952, 20 percent. The rate of increase in furniture sales has greatly exceeded the rate of increase in commodity turnover as a whole.

There has been a shift toward quality in dishware sales. In 1946, the share of glass, china, and pottery in all dishware goods amounted to 28.8 percent; in 1949, this percentage increased to 41.3. Consumer demand for china dishware is growing on a large scale.

Because of large-scale rural electrification in recent years, the demand for electrical appliances has increased. In 1950, 50 percent more household electrical appliances were sold than in 1940.

Ten of thousands of books are published yearly in the USSR. A great number of these publications are circulated on a scale equaled by no other country. Trade in books in the USSR is expanding along with the development of the library network.

The sale of such goods as radio receiving sets, phonographs, and various musical instruments (pianos, accordions, etc.) has increased at a much higher rate in the USSR than that of commodity turnover as a whole. The sale of radio receiving sets in 1950, as compared with 1940, increased sixfold and has continued to increase rapidly. For example, in 1951 and 1952, the sale of radios and television sets in Moscow increased by 70 percent. In Rostovskaya Oblast the sale of musical instruments and radios in 1952 increased more than 150 percent, over 1948.

In 1933, 132,400 bicycles were manufactured and sold in the USSR, and in 1938, 385,600 bicycles. In 1950, the sale of bicycles increased 190 percent over 1940; in 1951, 86 percent over 1950; and in 1952, 130 percent over 1950. Sales of motorcycles in 1950 were 16 times those of 1940.

Prior to collectivization, commodity turnover of manufactured goods in the rural trade network had certain characteristic features. The proportion of textiles, especially cotton fabrics, was exceedingly high, amounting to 46 percent of all rural sales of manufactured goods; the proportion of sewn goods was extremely low, amounting to 2.5 percent of the total commodity turnover. The high proportion of cotton fabric in the total turnover of manufactured goods and the small proportion of sewn goods and other consumer goods resulted from the limited and unstable purchasing power of the small peasant farms. To satisfy their minimum needs for clothing, the peasants had to do without many other articles. In addition, the peasants had to spend a large part of their meager budget for purchasing and repairing agricultural equipment.

Only since the beginning of collectivization have the farmers been able to improve their material welfare. Raising the level of consumption of the rural population to that of the urban population was a difficult task, especially since the urban level of consumption is constantly rising. Considerable success in raising the level of rural commodity turnover was achieved during the Second Five-Year Plan, especially in cultural goods, textiles, footwear, knitted goods, and sanitary goods. Over the period 1933-1938, for example, the sale of the most important cultural goods in the rural trade network of consumer cooperatives increased as follows: musical instruments, by 16.6 times (including phonographs, by 20.5 times); radio goods, by almost 4 times; sports goods, by 14.8 times (including bicycles, by 53.2 times); clocks and watches, by 2.5 times; chinaware, by 5.7 times; and furniture, by 17.9 times.



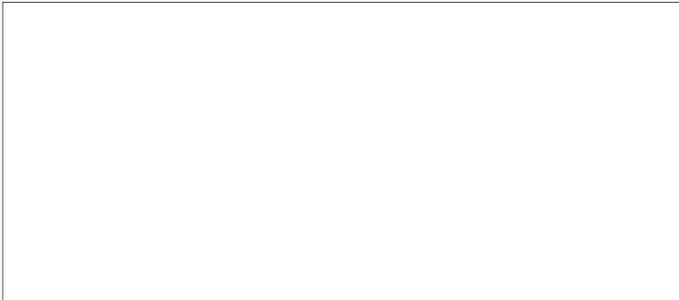
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In 1940, the proportion of woolen, silk, and linen fabric in the total amount of fabric sold in rural areas amounted to 25.5 percent and the amount of cotton fabric to 74.5 percent; in the first half of 1952, the proportion of the former increased to 32 percent at comparable prices, and the latter was cut to 68 percent.

In 1952, the kolkhoz peasantry purchased from consumer cooperatives more of the following commodities, in comparable prices, than in 1948: 195 percent more silk fabric; 144 percent more sewn goods; 140 percent more knitted goods and hosiery; 190 percent more leather footwear; 395 percent more furniture; 164 percent more radios and musical instruments; and 140 percent more books. The proportion of rural communities in the total consumption of fabrics, sewn goods, and other manufactured goods has continued to increase. In 1951, the prewar level in the sale of fabrics in rural areas was surpassed by almost 50 percent, and the sale of higher-grade silk fabrics exceeded the prewar level 175 percent. In 1952, rural consumer cooperatives supplied 8.8 times as many radio receiving sets as in 1940, 4.9 times as many bicycles, and 4 times as much photographic equipment. Because of the tremendous increase in the consumption of cultural goods in rural areas during the postwar period, the proportion of cultural goods in the retail turnover of consumer cooperatives in 1952 was more than double that of 1940.



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